Committee on Resources

Subcommittee on Fisheries Conservation, Wildlife and Oceans

Witness Statement

TO: Subcommittee on Fisheries Conservation, Wildlife and Oceans; Committee on Resources; US House of Representative

SUBJECT: H. Con. Res. 189 on the wasteful and unsportmanlike practice known as shark finning

DATE: Thursday, October 21, 1999

TIME: 10 a.m. (EST) / 4 a.m. (HST)

PLACE: 1334 Longworth House Office Building, Washington, DC (by teleconference from Council Office, 1164 Bishop St., Honolulu)

Congressman Jim Saxton and Members of the Subcommittee on Fisheries Conservation, Wildlife and Oceans:

I am Jim Cook, the chairman of the Western Pacific Fishery Management Council. I have been a member of the Council since 1991. The Council is responsible for developing management plans for fisheries in the 200-mile United States exclusive economic zone around the State of Hawaii, the Territories of American Samoa and Guam, the Commonwealth of the Northern Mariana Islands and the unincorporated, remote US Pacific Islands of Palmyra Atoll, Kingman Reef and Midway, Johnston, Wake, Jarvis, Howland and Baker Islands (Attachment 1, Figure 1). Our jurisdiction is on both sides of the equator and both sides of the dateline. It spans a distance equal to that of the continental United States, contains 1.2 million square miles and accounts for 48% of the US exclusive economic zone (EEZ), (Attachment 1, Figure 2). Our local governments are varied, and our communities are primarily indigenous Pacific Islanders and Asians. Because we are volcanic islands without continental shelves, our most valuable oceanic resources are highly migratory species, such as tuna, swordfish and billfish.

Regarding the resolution before you, I respectfully request that you oppose it, as this resolution calls into question the integrity and authority of not only the Western Pacific Regional Fishery Management Council but all regional councils. The regional fishery management council process recognizes the differences in the culture, resources and environments of the various regions of the United States. Passing this resolution sets a precedent for undermining this process by suggesting that a Congressman from the Midwest is better qualified to make decisions that will affect a fishery 6,000 miles away, in the case of Guam, than is a person who has lived in that territory and has been involved in that fishery at a local level.

For 23 years, the Western Pacific Council has successfully fulfilled the mandate given to it through the Magnuson Act to manage fishery resources in its jurisdiction as evidenced in that fact that our resources are not overfished. During this time, we have been pioneers in pursuing many management measures.

- Since its inception in 1976, the Western Pacific Council ardently pursued inclusion of tuna and other

highly migratory species in the provisions of the Magnuson Act. Congress approved this amendment in 1992.

- The Western Pacific Council was a pioneer in the mid-1980s in banning drift gill netting and trawling in the US EEZ under its jurisdiction. Eventual national and international involvement led to a ban on driftnet fisheries in the high seas in 1992. Before this ban, these fisheries had been capturing about 2 million blue sharks annually (Attachment 2).
- We have implemented limited entry programs for our major commercial fisheries.
- We were the first to implement a vessel monitoring system in the US EEZ.
- We were instrumental in obtaining recognition for indigenous fishing practices of Pacific Island natives in the Magnuson Act.
- We are now developing a fishery management plan for coral reef resources that adopts an ecosystem approach and will be the first of its type for fisheries management. Approximately 94% of the coral reefs under US jurisdiction are located in the Pacific Ocean. The coral reef resources of the US Pacific Islands Area cover an estimated 15,852 km^2, most of which (10,762 km^2) is in the EEZ.

Issues concerning management and conservation of fisheries come and go. But the integrity and the authority of the Council should remain solid, and we ask that, for this reason, you resolve to support the Western Pacific Council by opposing the concurrent resolution that suggests the following:

> 1) the practice of removing the fins of a shark and dumping its carcass back into the ocean, commonly referred to as shark finning, is a wasteful and unsportsmanlike practice that could lead to overfishing of shark resources;
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> 2) the Western Pacific Fishery Management Council, the State of Hawaii and the National Marine Fisheries Service should promptly and permanently end the practice of shark finning in all Federal and State waters in the Central Pacific Ocean and Western Pacific Ocean; and
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> (3) the Secretary of State should continue to strongly advocate for the coordinated management of sharks and the eventual elimination of shark finning in all other waters.

I would like to address each of these statements.

<u>Shark Finning Is a Wasteful and Unsportsmanlike Practice That Could Lead to Overfishing of Shark Resources</u>

The members of the Western Pacific Fishery Management Council are opposed to waste. As island people with limited land and fresh water, we understand the need to wisely use our natural resources.

Additionally, our authority to manage fisheries as Council members stems from the Magnuson Act. One of the stated policies of this Act is to "avoid unnecessary waste of fish." However, the Act itself neither defines "unnecessary waste" nor provides guidance on how waste can or should be quantified or determined. Similarly, the attendant regulatory guidelines are silent with regard to what is the threshold that constitutes waste.

Waste can be defined in both market and non-market terms. In the first instance, finning is not wasteful as practiced by the Hawaii-based longline fishery. This is the only domestic fishery in the Council's jurisdiction that produces significant numbers of shark fins. It is comprised of about 110 vessels engaged in a limited entry fishery with closed areas that extend from shore out to 50 to 75 nautical miles and with a

maximum boat length restriction of 108 feet. The average vessel size is 43 to 100 feet, and the average annual net profit made by these vessels is roughly $40,000. The vessels target fresh, high-grade swordfish and tuna for the sashimi market. In addition, they incidentally catch about 100,000 sharks each year. Ninety to 95 percent of these sharks, according to National Marine Fisheries Service observer and catch data, are oceanic blue sharks.

Today, about 40,000 sharks are released and 60,000 retained annually by the vessels (Attachment 3). Of those that are retained, about 14,000 are dead when they are brought to the boat; 45,000 are killed before finning and about 1% have been finned while alive, according to National Marine Fisheries Service observers.

The retention of blue sharks has risen dramatically over the past six years. However, even without regulations, the retention rate will level off because the sharks are not a targeted species. In fact, the incidental catch of sharks has been declining in the fleet due to a shift in target species from swordfish to tuna. Furthermore, the prices for shark fins has been declining.

It is true that fins make up only 5% of the weight of a blue shark in physical terms. But notably, they amount to 72% of the blue shark's potential economic value (Attachment 4). In Honolulu, crew members have received $26 for a set of fins from a single blue shark. By comparison, there is no market in Hawaii for blue shark meat and it has a minimal market worldwide. In Mexico, it worth about 35 cents per pound. During attempts to market blue shark in California and Canada, the meat sold for 15 to 25 cents per pound. One Hawaii firm has indicated an interest in developing products from blue shark. It has provided an estimated value of blue shark meat at 20 cents per pound and an estimated product recovery rate for blue shark meat at 25%. Using these figures and an average weight of 100 lbs for blue shark caught by the Hawaii longline fishery, the meat from a blue shark would be worth about $5. The Hawaii firm has indicated an interest in blue shark cartilage at about 30 cents per pound. The blue shark is approximately 4% cartilage and so could generate about $1.20. This same Hawaii firm is interested in buying shark liver. However, the liver must be delivered within five days of being caught and Hawaii longline vessels take trips of up to four weeks.

While an additional $5 per blue shark could be earned if the meat were recovered, one must also consider the expenses involved. Boat owners would need to reconfigure their vessels to allow for more deck and storage space. Blue sharks have a higher urea content and softer muscles than most sharks, so they must be bled while alive, gutted, headed, reduced to a temperature of 0°C as rapidly as possible and soaked in a tank of citric or acetic acid. The trunks of blue shark can not be stacked, so besides bleeding areas and soaking tanks, shelving would need to be installed. The flesh will spoil after five days unless it is frozen. Hawaii longline vessels do not generally have freezers, so these would need to be installed. In addition, handling and storing the low-priced shark carcass would require crew time and resources, such as ice and storing space, that would be more profitably used on catches of tuna (worth $3.50-$20.00/lb) and swordfish (worth $2.50-$5.50/lb). In addition, improper handling of the sharks can easily result in the tainting of tuna and swordfish, making these once valuable products unmarketable. Furthermore, large blue sharks have frequently contained high levels of mercury, which makes them unmarketable. These added expenses and risks make the recovery of blue shark meat by the Hawaii longline fleet economically unsound. On the other hand, the market and minimal processing and storing requirements of blue shark fin makes the retention of this product economically sound.

Some argue that the 46,000 blue sharks annually caught and killed by the Hawaii longline fleet should be released alive for future use when markets and techniques that allow for fuller utilization are available in

Hawaii. However, one must keep in mind that 59% of the blue sharks caught by the Hawaii longline fleet are captured outside of the US EEZ. Even those caught within the EEZ eventually migrate outside of it. These sharks, if released, would face finning by the Korean, Japanese and Taiwanese longline vessels that also fish in the area. In fact, the shark fins generated by the Hawaii longline fishery comprise only 1% of the world shark fin production.

Others argue that the 5% product recovery rate of shark fins is too low based on ethical or philosophical reasons. Given the recovery rates of some other US fisheries (Attachment 4), one wonders if this argument is really based on culture or ethnicity. There are low recovery rates in the US fisheries for scallop (which recovers a single muscle), pearl oysters (which recovers an inclusion), monkfish (which recovers the tail only) and herring, sturgeon, pollock and sea urchin roe (ovaries that produce caviar at recovery rates of 3% to 13%). Recovery rates for some non-fishery industries, such as gold mining, is even lower. However, the harvesting of these products which are fancied by Euro-Americans are not producing a public outcry or a Congressional resolution. And, as will be noted below, the current harvest rate of Hawaii blue sharks is no less sustainable than that for any of the other fishery species mentioned.

One wonders also about the "unsportsmanlike" reference being attached to the practice of harvesting shark fins. Last year, 'Akau'ola, secretary for fisheries, Kingdom of Tonga, noted the following during a conference in Hawaii on central and western Pacific regional game fisheries:

"For the indigenous people of the islands, all fishing are skills that were taught and learnt for one purpose, to feed and to nourish the hunter, the family and the nation. For the people with a Western tradition, the priority of food has become the role of the commercial fisheries ... and the clearer divide between work and recreation has given rise to those who can now afford to pursue the excitement and pleasure of fishing as a sport."

The Hawaii longline fishery is not a recreational fishery. It is a commercial fishery aiming to put food on the tables of consumers. Commercial fishermen are no more concerned with sportsmanship than are ranchers who bring their herds to a slaughterhouse. Practices for killing and handling blue sharks used by the Hawaii longline fishery are consistent with the humane methods for slaughtering as outlined in the US Code, Title 7, Section 1902. It is unclear to the Council why sportsmanship is being brought into the discussion about the acceptability of retaining sharks for their fins.

Others argue that the Hawaii longline fishery should not fin blue sharks because it could lead to overfishing of the species. They attempt to support their arguments by saying the life history characteristics of many sharks cause them to be vulnerable to overfishing. However, the blue shark is atypical (Attachment 5). It matures early, at 4 to 6 years, and has a high-reproductive capacity, with an average litter size of 35 and a maximum litter size of 135. By comparison, a shortfin mako takes nine years to mature and produces four to 18 pups per litter. In addition, the blue shark is a widely distributed species that is found in the Pacific, Atlantic and Indian Oceans. Studies show that in the Pacific, blue sharks range from 20°S to 50°N and from California to Japan. Its life history characteristics and wide distribution led one scientists to recently note that, if there is any shark that should be finned, it is the blue shark. This species continues to have the highest catch rate of any species in the Hawaii pelagic fishery. And, while a stock assessment of the blue shark population in the North Pacific is yet to be completed, scientists agree that the decades of Japanese longline data and the decade of Hawaii longline data indicate that the stock does not appear to be overfished (Attachment 6).

The Western Pacific Fishery Management Council, the State of Hawaii and the National Marine Fisheries

Service should promptly and permanently end the practice of shark finning in all federal and state and waters in the Central Pacific Ocean and Western Pacific Ocean.

The Council has been actively working toward amending its pelagic fishery management plan to include regulations to conserve and manage oceanic sharks in its management areas. It has long stated that it aims to have these regulations in place by the year 2001, in accordance with the deadline for national plans of actions for the management and conservation of sharks set by the United Nations Committee on Fisheries (COFI) International Plan of Action for Sharks (IPOA-SHARKS).

Among the 10 prescribed aims of national plans of action outlined by IPOA-SHARKS are the following:

- Ensure that shark catches from directed and non-directed fisheries are sustainable;
- Improve and develop frameworks for establishing and co-ordinating effective consultation involving all stakeholders in research, management and educational initiatives within and between States;
- Minimize unutilized incidental catches of sharks;
- Minimize waste and discards from shark catches in accordance with article 7.2.2.(g) of the Code of Conduct for Responsible Fisheries (for example, requiring the retention of sharks from which fins are removed);
- Encourage the full use of dead sharks;
- Facilitate improved species-specific catch and landings data and monitoring of shark catches;
- Facilitate the identification and reporting of species-specific biological and trade data.

Among the actions pursued by the Council to address the issue of shark conservation and management are the following, which meet the prescribed aims of IPOA-SHARKS:

- 1990 - Amended the Pelagics Fishery Management Plan (FMP) to recognize the increased vulnerability of pelagic sharks by setting the spawning potential ratio overfishing threshold at 0.35, in comparison to 0.2 for boney pelagic fishes.
- 1997 - Contracted researchers to compile a directory of fisheries agencies in Pacific Islands and Pacific Rim which are collecting information on directed or incidental shark catches.
- 1998 - Requested National Marine Fisheries Service to prepare a report on the socioeconomic importance of sharks in the US flag areas of the western and central Pacific (Attachment 7).
- 1999 - Contracted research on the utilization of blue shark with respect to the Hawaii longline fishery and directed Council staff to prepare an in-depth review of issues surrounding blue shark catches and finning and possible management options.

In accordance with the Magnuson Act, the Council has addressed the issue of shark conservation and management by seeking input from its advisory panels, plan teams and Scientific and Statistical Committee (SSC) as well as the general public. While the Council process is time-consuming, it takes into consideration the potential economic impacts to the industry, the potential social and cultural impacts to the communities and the potential biological impacts to the resource, based on the best scientific data available. It aims for effective and equitable regulations.

Let us not forget that the recreational harvest of sharks in the Atlantic began in the 1950s and the commercial fishery in the Atlantic and Gulf began in the 1970s and was driven by the efforts of the National Marine Fisheries Service (NMFS). It was not until 1993, two to four decades later, that the NMFS Highly Migratory Species Office implemented its shark management plan for the federal waters of the Atlantic, Gulf of Mexico and Caribbean. That same year, 1993, the retention of sharks in the Hawaii

longline fishery had just begun. There is no recreational pursuit of sharks in the islands. The NMFS shark management plan addresses stocks that are for the most part coastal sharks that are overfished, while the oceanic blue shark population in the North Pacific is not overfished by all available indications. The NMFS shark management plan led to lawsuits, in which US District Judge Steven D. Merryday criticized NMFS for "failing to weigh the economic effect" on the commercial fishermen. Failure to address these impacts is currently keeping NMFS from lowering quotas, which it has said is necessary for stock recovery.

The Western Pacific Council, through the studies it and NMFS Southwest Region have contracted in the past few years, has established a good understanding of the socioeconomic issues surrounding shark fishing and shark finning in its jurisdiction (Attachment 7).

- The landed value of fins brought in by the Hawaii-based longline fishery is about $1 million annually, and the average earnings from shark fins ranges from $2,375 to $2,850 per crew member, or about 10% of the estimated annual income of these individuals. Anecdotal information suggests that at lease some vessels engaged in the bottomfish and handline fisheries in Hawaii also engage in shark finning.
- US purse seine vessels annually land in American Samoa fins worth $162,000 to $230,000. It is generally the lower paid crew members that augment their wages with income derived from finning.
- Foreign fishing vessels with shark fins onboard are allowed to make port calls in Honolulu to purchase fuel and other supplies, but these vessels are prohibited under the Nicholson Act from landing fins or other fish products. However, shark fins from these vessels are transshipped to properly permitted domestic vessels meeting the foreign vessel or its mothership outside the US EEZ. By this means, an estimated $2.4 to $2.6 million landed value worth of fins are shipped through Hawaii annually to Asia markets without entering US commerce.
- Because the territories are exempt from the Nicholson Act, foreign fishing vessels are allowed to land shark fins directly in Guam and American Samoa. It is estimated that shark fins landed annually by foreign-flag vessels on Guam has an ex-vessel value of $280,000 to $544,000, and those landed in American Samoa are valued at $455,000 to $705,000.
- Hawaii, Guam and American Samoa each have about three businesses involved in purchasing fins from fishing and transshipment vessels.
- The economic impacts of a restriction on the landing or transshipment of shark fins could be significant if it results in a decrease in the number of port calls made in the Western Pacific Region by foreign fishing vessels and/or foreign tanker vessels servicing the foreign fishing fleet. According to industry estimates, the value of the goods and services purchased annually by these vessels is between $50 million and $60 million in Hawaii. According to researchers, the value is $92 million in Guam and $122 million in American Samoa.

Besides these potential economic impacts, the Council is looking forward to reviewing the study on the cultural aspects of sharks and shark fishing in Hawaii, American Samoa and the Mariana archipelago that is expected to be completed by NMFS Southwest Region in January 2000. The Council also looks forward to the stock assessment of the blue shark population in the North Pacific that Honolulu Laboratory, NMFS Southwest Science Center had expected to complete in December 1999 but now expects to complete in spring 2000.

Meanwhile, the Council is examining various measures to conserve and manage sharks in its region. At its meeting October 18 to 21, it will have reviewed options to better define the shark species covered in its pelagic fisheries management plan; to reduce shark mortality in the absence of insufficient understanding of shark population dynamics and biology; to address the perceived low product recovery rate associated with shark finning; and to reduce the risk of protected species interactions with "bottom longline" gear, which has

been used by a single vessel since late 1998 in the Hawaiian Islands (Attachment 8).

The Council process will result in more complete, effective and fair regulations to manage and conserve sharks than will a single regulation that promptly bans shark finning alone. Such a ban could idealistically conserve the 46,000 sharks that are now hauled in alive by the Hawaii longline fleet and then killed for their fins. However, realistically, such an anti-finning regulation still leaves these same sharks vulnerable to recapture and almost certain death by foreign fleets (Attachment 2). Such a ban would also be contrary to the prescribed aim of IPOA-SHARKS to "encourage the full use of dead sharks" in that it would prohibit the Hawaii longline fleet from recovering the fins from the approximately 14,000 blue sharks that are incidentally captured and hauled to the boat already dead. As noted in the previous section, due to its high urea content, blue sharks must be bled alive in order for their meat to be palatable, so full utilization of these dead sharks is not an option. Further, hardly any fishery engages in "full use" of the species it captures; and there does not seem to be a use for the guts of any species of shark.

The Secretary of State should continue to strongly advocate for the coordinated management of sharks and the eventual elimination of shark finning in all other waters.

The Western Pacific Council assists the Department of State in the Multilateral High Level Conference (MHLC) on the Conservation and Management of Highly Migratory Species in the Western and Central Pacific. This Conference includes 28 Pacific Island and Pacific Rim nations that have jurisdiction over the EEZs in the western and central Pacific or who own the fleets that fish in these waters. The Conference has met five times since 1994, twice in Hawaii, where significant progress was made. The Conference is expected to meet again in Honolulu in April 2000, again supported by the Council, and to conclude later in the year in August. At that time a fishery management commission will be created with the authority to set quotas for highly migratory species in the central and western Pacific Ocean. The conference members have identified the four primary tunas as the first species for which total allowable catches will be set. However, MHLC was formed under the impetus of the UN Agreement on Straddling Stocks and Highly Migratory Species, and it will most likely manage oceanic sharks as well.

Conclusion

In summary, Mr. Chairman and Congressmen, the Council is progressing toward management and conservation measures for sharks that addresses shark finning, clarification of management unit species, fishery impacts on population stocks and potential fishery interaction with protected species. These measures will take into consideration potential social, economic, cultural and environmental impacts and the best available scientific data. The regulations are expected to be in place within the next year. Meanwhile, there are no indications that the blue shark, which makes up 95% of the shark catch by the Hawaii longline fleet, is being overfished in the North Pacific.

The current outcry against the Council and shark finning in Hawaii is driven by privately funded organizations that are largely based on the East Coast where they actively lobby. They are well-funded and pursue armchair advocacy through postings and electronic letter-writing campaigns on the Internet. They mislead the media by disseminating press releases that promise controversy and a good story but disregard accuracy and fairness. For strategic purposes they have disseminated half truths, misquotes, misinterpreted scientific data and photos that are from other fisheries or manipulated to show unrealistic images of shark finning. One wonders if their efforts are misdirected, considering that a poll commissioned by one of these organizations in 1996 revealed that the public believes that the killing of sharks is the least serious ocean problem. With all due respect to the Subcommittee and its members, the Council requests that this

emotionally driven approach to fisheries rule-making be recognized for what it is.

Recently, one of these organization printed a glossy flyer showing a nearshore reef shark with its pectoral and dorsal fins removed. The photo was apparently manipulated. A fisherman would also have retained the tail fin. The text was likewise full of misleading statements. But what is perhaps most irritating is that conservation organizations spend money on these types of misleading brochures aimed against the Council while they have refused the Council's approaches to work together. In 1997 the Council staff met with various charitable trusts, including the Pew Charitable Trusts, Rockefeller Brothers Trust and Packard Foundation, to discuss Council funding needs for projects, such as determining volume and value of shark fin landings by distant water longline vessels in the US insular Pacific. No response was received. In 1998, the Council requested support from the Nature Conservancy on initiatives to mitigate shark catches by longliners, determine post-release survival rates of hooked sharks and achieve a better return for sharks than from just finning. No response was received. In 1998, the Council again contacted the Packard Foundation for support on projects, including a stock assessment project on blue sharks and a study of cultural associations of shark and shark finning in Hawaii and other US Flag Islands. An encouraging but non-committal response was received for the first request; no response was received for the second.

We now ask for your assistance in securing Saltonstall-Kennedy (S-K) funds for development of blue shark products for the Western Pacific Region. As previously noted, a firm in Hawaii is ready to market these products but needs funds to do so. In addition, the Council's pelagic advisory panel members from Guam, American Samoa and the Northern Mariana Islands have asked the Council to pursue S-K funds to develop shark markets in their territories and commonwealth as well. The Council has noted that the S-K funds received by the Western Pacific Region are proportionally low compared to those received by NMFS headquarters and other mainland regions. Please help our region.

We also, ask for your support of the NMFS Southwest Region and Center. We rely on this agency for the research on which we base our management decisions. We are moving toward shark management measures while waiting for the completion by this agency of studies on the cultural aspects of sharks and shark fishing in our region and on the stock assessment of blue sharks in the North Pacific.

Lastly, instead of passing the resolution before you, we ask that you support the Western Pacific Council in our efforts to develop reasonable, fair and effective regulations to conserve and manage sharks despite being hounded by hungry media and the special interests of privately funded organizations. Because our fishermen did not begin retaining sharks until 1993, we may not have been the first to develop a shark management regime. However, with your support, we may yet be the first to do it right.

Thank you.

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